

SECRET

NFAC and DDO
9 September 1980

Extract of the Staff Meeting Minutes of 8 September 1980

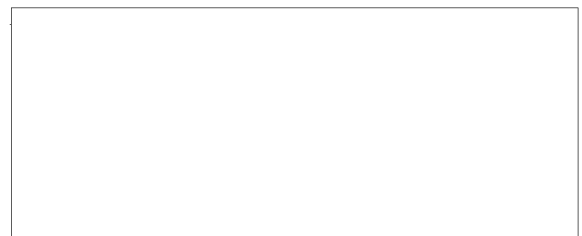
The Director highlighted several items on his calendar for this week, including the following:

--NSC meeting on Friday, 12 September for review of the Middle East situation; the Director noted he would brief particularly on Soviet activities in that area. Relatedly, the Director asked Clarke and McMahon to advise him of what options the U.S.



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The Agency

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As CIA Reaches Out To Touch Someone, Ma Bell Keeps Tabs

Agency's Contacts Are Irked
That Their Cover Is Lifted
By Listings on Phone Bills

By JERRY LANDAUER

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—The Central Intelligence Agency tirelessly guards against penetration of the agency by foreign spies. But gaining access to certain CIA information isn't all that difficult if you have a friend at the telephone company.

CIA officials place numerous long-distance phone calls within the U.S. on commercial telephone lines—lines that aren't regularly checked to determine if they are being tapped. What's more, telephone companies generally keep records of calls charged to CIA offices in order to bill the government for the cost.

These records usually aren't accorded any special security precautions. Of course, not everyone has a friend at the telephone company, and not every telephone employee has access to billing information. But someone with the right contacts can learn CIA telephone numbers and get hold of the records. Simply by dialing the numbers listed on the bills, he can reach someone the CIA has phoned.

New York Telephone Co., for one, efficiently tracks the dates, area codes and telephone numbers of all long-distance calls originating from the CIA field office in mid-Manhattan—just as it does for any other customer. Collect calls and calls made from other locations and charged to the field office also appear on the office's monthly phone bill, but local calls aren't recorded on the bill.

Gathering the Goods

The CIA's New York field office is one of several in big cities that are primarily responsible for gathering intelligence information from scholars, business people, scientists and tourists who have just returned from foreign assignment or foreign travel, especially to countries in the Communist bloc.

In one busy period, the CIA placed long-distance calls to scientists or executives at facilities of a half-dozen corporations that are active in the foreign marketplace, in-

cluding International Business Machines Corp., Singer Co. and Allied Chemical Corp.

The phone traffic from the CIA number to Allied Chemical in Morristown, N.J., was especially heavy. The Allied executives involved are incredulous about the leak.

"You must be kidding!" exclaims one executive whose number appears on the monthly bill. "You mean this stuff is getting out?"

"Holy Moses!" says Bryan Grace, a marketing manager. "I just can't believe it!"

A third executive is particularly angry. "Those Gumbells!" he explodes. "I've had it with them."

A spokesman for New York Telephone says he is unaware of any leaks. He emphasizes that an employee giving out information about any customer's calls "is putting his job on the line and is liable to criminal prosecution."

"Non-Clandestine Activity"

At CIA headquarters in Langley, Va., spokesman Lavon Strong is as incredulous as the executives about the leak. "It sort of boggles my mind," he says. But then Mr. Strong says that the apparent accessibility of field-office phone records "bears out that this is a non-clandestine activity." The agency plans to find out how such a leak could occur, he adds.

In the hands of a Soviet agent, the telephone records could be revealing. Anyone phoning the numbers listed on the bills could glean valuable information about CIA activities. Because many of the CIA calls are made to the unlisted home phone numbers of agency employees who live outside the city, for example, an outsider could identify these employees and determine where they live. He could also learn whom the CIA consults on agency business, he could identify CIA contacts in foreign consulates or embassies, and he could locate confidential informants.

Not all of the long-distance calls would be revealing of official CIA work, however. Like many other employees in government and in private industry, CIA employees sometimes make personal long-distance calls from their office phones. They call spouses and girlfriends, the billings indicate. They also call travel agencies, auto-repair shops, restaurants, banks, friends, the YMCA, shops, tailors and contractors.

The CIA even called a supervisor at the Morris County, N.J., Board of Social Services. Margaret Myers, the supervisor, says she hasn't any idea why the CIA called. "I haven't a friend at the CIA," she insists to a reporter. A bit later, her husband calls back, identifying himself as a CIA man who recently retired. "The telephone," he says, "is our worst enemy."

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